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Arizona Corporation Commission

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Arizona Corporation Commission

DOCKETED

FROM: Ernest G. Johnson
Director
Utilities Division

AZ CORP COMMISSION
DOCUMENT CONTROL

OCT -4 2006

DOCKETED BY

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DATE: October 4, 2006

RE: STAFF COMPLIANCE PER DECISION NO. 68923 (AUGUST 29, 2006) -IN
THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE
COMPANY FOR A CAPACITY RESERVATION CHARGE TARIFF FOR ITS
NEW WASTEWATER CERTIFICATE OF CONVENIENCE AND
NECESSITY EXTENSION AREAS, DOCKET NO. SW-01428A-06-0444

Introduction

On July 5, 2006, Litchfield Park Service Company – Wastewater Division (“Company”) filed for a Capacity Reservation Charge Tariff. This proposed tariff would apply only to new wastewater developments for which the Company would be required to seek an extension of its Certificate of Convenience and Necessity.

In Decision No. 68923, the Commission suspended this requested tariff filing for 90 days and further ordered Staff to report back to the Commission on its investigation of the odor problems at the Palm Valley Water Reclamation Facility (“WWTP”).

Discussion

On September 15, 2006, Staff members; Marlin Scott, Jr., Engineering, and Lynn Combs, Consumer Services, visited the Company’s WWTP, accompanied by Matthew Garlick, Company’s Regional Operations Manager. Staff inspected the odor control equipment and toured the surrounding WWTP site. During this inspection, Staff detected odors, which Mr. Garlick described as a “skunky” smell.

It was noted during this inspection that the Company had installed a carbon adsorption unit (polisher) at the end of its wet chemical scrubber which was ready to begin operation as a pilot test to further reduce odors. This pilot operation began the afternoon of September 15th.

Staff was told that the original odor control equipment is undersized (possibly one-third the plant capacity) and would need to be upsized. Mr. Garlick stated that the solids handling building’s bay doors were recently equipped with vertical plastic curtains in order to keep the

odors from escaping outside the building and larger capacity blowers (odor controls) would be needed to produce a negative pressure to keep the odors inside the building.

Company's Plan of Action

Polisher Installation

Based on the polisher pilot test and its positive results, the Company has applied for an Approval To Construct from Maricopa County. On September 28, 2006, Maricopa County issued an Approval To Pre-Purchase Equipment for approval to procure a 16,000-cfm carbon adsorption unit to provide additional polishing of foul air following the chemical scrubbing unit. According to Mr. Garlick, this carbon adsorption unit installation is for Phase 1, a short-term solution to address the odor complaints. Phase 2, long-term solution, is currently under review for the ultimate fix – replacement of existing undersized odor control equipment – with an estimated construction schedule to begin the third quarter of 2007.

Additional WWTP Capacity

The Company hired another consulting firm to evaluate the options for increasing the WWTP capacity which include:

1. Expansion of the existing WWTP.
2. Construction of a new plant in the vicinity of the Sarival Lift Station.
3. Purchase of a portion of the City of Goodyear water reclamation facility.

According to the Company, a preliminary report for the scope of work was completed on September 18, 2006, and a final report will be available by October 16, 2006. According to the interim report, a decision for the final design report for additional capacity/odor control equipment will be made by the end of 2006. The additional capacity is planned to be commissioned in the first quarter of 2008.

Conclusions

On September 15, 2006, Staff and Mr. Garlick detected a "skunky" smell from the Company's WWTP. Based on the polisher pilot test and its positive results, the Company has applied for an Approval To Construct from Maricopa County for approval to procure a 16,000-cfm carbon adsorption unit to provide additional polishing of foul air following the chemical scrubbing unit. According to Mr. Garlick, this carbon adsorption unit installation is for Phase 1, a short-term solution to address the odor complaints. Phase 2, long-term solution, is currently under review for the ultimate fix – replacement of existing undersized odor control equipment – with an estimated construction schedule to begin the third quarter of 2007.

The Company hired a consulting firm to study the options for increasing the WWTP capacity.

Recommendation

Staff has reviewed the Company's proposed remedies and concurs. Staff recommends that the Company submit monthly reports in Docket No. SW-01428A-05-0022 regarding updated odor control and plant capacity activity until the addition of the new WWTP is completed.

EGJ:MSJ:tdp

Originator: Marlin Scott, Jr.

Service List For: Litchfield Park Service Company
Docket No. SW-01428A-06-0444

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